

08 August 2018

Securities & Exchange Commission

Secretariat Building, PICC Complex
Roxas Blvd, Metro Manila

Philippine Stock Exchange

Disclosure Department
3/F PSE Plaza, Ayala Triangle Plaza
Makati City, Metro Manila

Philippine Dealing & Exchange Corp.

37th Floor, Tower 1, The Enterprise Center
6766 Ayala Ave. corner Paseo de Roxas
Makati, 1226 Metro Manila, Philippines

Attention: Hon. Vicente Graciano P. Felizmenio, Jr.
Director, Market and Securities Regulation Department
Securities & Exchange Commission

Ms. Janet A. Encarnacion
Head, Disclosure Department
Philippine Stock Exchange

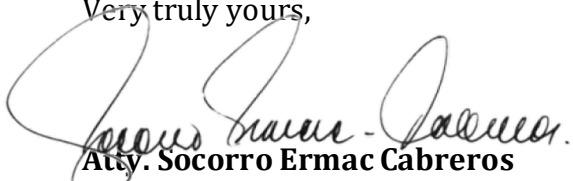
Ms. Vina Vanessa S. Salonga
Head - Issuer Compliance and Disclosure Department (ICDD)
Philippine Dealing & Exchange Corp.

Sir and Mesdames:

We would like to submit the attached Press Release in relation to the Company's financial performance for the second quarter of 2018.

Thank you and warm regards.

Very truly yours,



Atty. Socorro Ermac Cabreros
Corporate Secretary

August 8, 2018

Phoenix Petroleum income surges 59% in first half of 2018

Phoenix Petroleum Philippines, Inc. posted its best first half yet as it grew income, revenue, and market share in the first six months of 2018.

Net income after tax surged by 59% to ₱969.8 million in the first half compared to the same period last year.

Revenues grew by 113% to ₱40.25 billion during the first half of 2018 from ₱18.89 billion in the same period in 2017. This was primarily driven by the 63% increase in total volume sold.

In terms of market share, Phoenix Petroleum now holds the third spot, with 7.12% share, according to the Department of Energy report as of first quarter of 2018. This is an increase from its 6.2% share of the market in 2017, where Phoenix then ranked fourth among oil players.

Sales volume from the core fuel business grew by 18% in the first half of 2018 from the same period in 2017. Retail volume increased by 8% as Phoenix continues to expand its network, having opened 545 stations nationwide. The company is also refurbishing the look of its stations to a new and better design, and has launched new products and improved service. In February, the company launched its upgraded fuels powered with Phoenix PULSE Technology. Available in all its fuel products, Phoenix PULSE Technology is a fuel additive with advanced cleaning and protection properties for enhanced power and acceleration.

Sales volume from core fuel commercial and industrial segment grew by 28% as the company secured more key accounts in power, manufacturing, shipping, transportation, construction, and other industries.

Phoenix Petroleum's new businesses in LPG, trading and supply, and convenience store retailing are also delivering value.

*To be an indispensable partner in the journey of everyone
whose life we touch.*



Phoenix LPG Philippines grew its volume by 18% in the first half compared to the same period last year when it was operating as Petronas Energy Philippines. The brand, Phoenix Super LPG, is expanding in Luzon as it strengthens its presence in Visayas and Mindanao.

Philippine FamilyMart CVS, Inc. posted an average daily sales growth of 7% since it was acquired by Phoenix in January this year, by focusing on improving in-store and supply chain efficiencies and better food offerings that cater to its target market. FamilyMart is the country's third largest convenience store brand, a franchise of Japan's FamilyMart, with 68 stores mostly in NCR. Its newest store, the first since the acquisition, is opening on August 8 at West Aero Park in Clark Global City.

PNX Petroleum Singapore Pte Ltd, the Group's trading and supply office established in September, sold 264 million liters of fuel to third parties. The office serves as springboard for regional expansion of the Group.

This quarter, construction will start on the asphalt plant in Batangas for Phoenix Asphalt Philippines, Inc., a joint venture with Thailand's TIPCO Asphalt and PhilAsphalt Development Corp. The new company, formed in January, is part of Phoenix's strategy to complete its petroleum product offerings and to optimize the expected growth in infrastructure spending of the government.

"As we grow our core business, we are also realizing the value of our new businesses, as we maximize synergies across our portfolio of fuels, lubricants, LPG, trading and supply, convenience store retailing, and asphalt. We are committed to delivering greater value to our stakeholders and being their indispensable partner," said Phoenix Petroleum Chief Operating Officer Henry Albert Fadullon.

In June, Phoenix Petroleum signed a memorandum of understanding with CNOOC Gas and Power Group Co. Ltd., a subsidiary of China National Offshore Oil Corporation (CNOOC), China's largest LNG importer and terminal operator, to study, plan, and develop a liquefied natural gas receiving terminal project in the Philippines.

Phoenix Petroleum has also launched the Phoenix RCBC Bankard Mastercard that offers pulse-racing lifestyle rewards for motorists, such as 5% rebate on Phoenix fuels.

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About Phoenix Petroleum

Phoenix Petroleum is engaged in the nationwide trading and marketing of refined petroleum products, including LPG and lubricants, operation of oil depots and storage facilities, hauling and into-plane services; convenience store retailing; and trading and supply.

With its vision to be an indispensable partner in the journey of everyone whose life we touch, Phoenix Petroleum is committed to deliver world-class services, empower people, and inspire every Filipino's entrepreneurial spirit.

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